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Transcriber's Office

February 24, 1998 LB 1134

1998-99 school year, 1134 called for a one-time appropriation to this new fund to pay for the first year of reorganization incentives in 1998 and '99. The change made by LB 1130 (sic--1134) will allow the incentives to be paid to school districts when they really need them--that first year that they provide educational services. I believe that the improvement of timing in the incentives might make a big difference in encouraging a school district to reorganize. There are immediate costs associated with reorganization that will decrease over time, such as the cost of picking up new staff, and making sure that everyone is placed into the same pay scale. Having extra funding in the beginning might allow staff to leave over several years rather than being rified immediately. There are costs of such as merging books, joining the curriculum, changing signs, buying uniforms, and changing facilities. All these changes make the moving up of payments of incentives that first year very important and good policy. In addition to moving up payment incentives, 1134 originally required that the amount of reorganization incentives shall be double for any reorganization involving a Class VI and a Class I school. The idea was recognizing unique costs that are present in these types of reorganization incentives. This change would hope to encourage districts since incentive payments for the moving of younger students is traditionally quite small. State aid payments during that first year, the final change in LB 1134 would make...make is to put back into place a form of protection that was formerly available to reorganized school districts. The statute used to guarantee that the reorganized district could not receive less in state aid during the first year of reorganization than it did in prior years to separate districts. (LB) 1134 would have put the protection back into place for districts that were receiving reorganization incentives essentially in Fiscal Year '98-99 through the year 2002. The goal behind this idea was to give the districts some certainty in planning as they go through the reorganization process and to promise that they will not face any uncertain funding at the time that they are going through all of these changes. The committee amendment, essentially, removes this provision regarding the double incentives to certain reorganization and the protection from the loss of state aid. However, it leaves in place the moving up of the reorganize incentives to the first year, the fiscal year following the fiscal year in which the